

2012 Jennings County Property Tax Report with Comparison to 2011

Legislative Services Agency

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This report describes property tax changes in Jennings County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Jennings County the average tax bill for all taxpayers decreased by 1.4%. This tax bill drop was the result of a 1.8% increase in the tax levy of all local government units combined with a 6.2% increase in certified net assessed value, which decreased tax rates. Jennings County net assessed value rose because of a big increase in farmland assessments. Homestead and other residential assessments decreased which may have been a legacy of the recession. Net assessed values rose more than levies, so tax rates fell in all Jennings County tax districts. This decreased tax cap credits. Credits as a percent of the levy fell by 0.8% in Jennings County in 2012.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	-1.4%	\$17,401,336	\$801,011,902	3.0%
Change		1.8%	6.2%	-0.8%
2011	3.2%	\$17,101,330	\$754,476,385	3.9%

Homestead Property Taxes

Homestead property taxes decreased 4.5% on average in Jennings County in 2012. Tax rates fell in all Jennings County tax districts. The county average tax rate dropped by 4.2%. The percentage of homesteads at their tax caps decreased from 4.5% in 2011 to 3.7% in 2012. Jennings has no local property tax credits.

Comparable Homestead Property Tax Changes in Jennings County

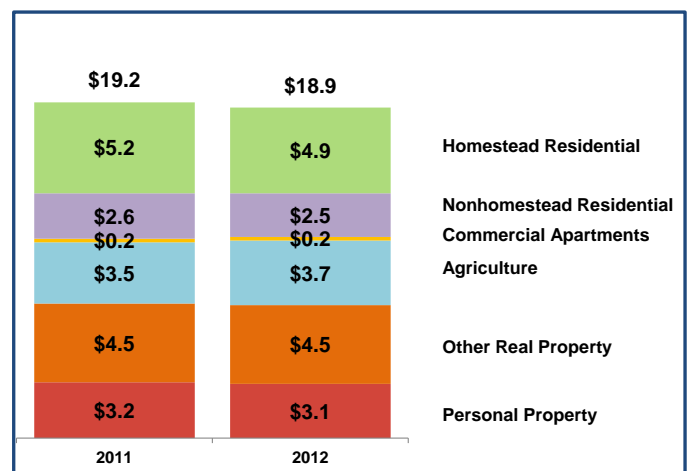
	2011 to 2012	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	1,148	14.5%
No Change	480	6.0%
Lower Tax Bill	6,309	79.5%
Average Change in Tax Bill	-4.5%	
Detailed Change in Tax Bill		
20% or More	209	2.6%
10% to 19%	106	1.3%
1% to 9%	833	10.5%
0%	480	6.0%
-1% to -9%	5,403	68.1%
-10% to -19%	621	7.8%
-20% or More	285	3.6%
Total	7,937	100.0%

Note: Percentages may not total due to rounding.

Net Tax Bill Changes - All Property Types

Most of Jennings County's 2012 net property taxes were paid by business owners on their land and buildings (other real) and business equipment (personal), by homeowners, and by owners of agricultural property. Net tax bills for all taxpayers decreased 1.4% in Jennings County in 2012. Net taxes were lower for homesteads, nonhomestead residential property (mostly rental housing and second homes), and business personal property. Taxes increased for agricultural property and commercial apartments. Taxes were little changed for business real property.

Comparison of Net Property Tax by Property Type (In Millions)



Tax Rates, Levies, and Assessed Values

Property tax rates decreased in all Jennings County tax districts. The average tax rate fell by 4.2%, because a small levy increase was offset by a larger increase in net assessed value.

Levies in Jennings County increased by 1.8%. The largest levy increase was in the county unit, mainly due to increases in the health fund and the cumulative bridge fund. The city of North Vernon had increases in its general and motor vehicle highway funds. Center Township had decreases in its debt service, general, and cumulative fire funds.

Jennings County's total net assessed value increased 2.2% in 2012. Agricultural net assessments rose 11.2%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Combined nonagricultural net assessments fell 0.2%. Homestead and other residential assessments fell, which may have been a lingering effect of the Great Recession.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$723,325,511	\$719,333,149	-0.6%	\$261,758,942	\$259,391,940	-0.9%
Other Residential	133,488,900	131,328,000	-1.6%	130,051,031	127,833,059	-1.7%
Ag Business/Land	180,113,900	201,118,900	11.7%	179,521,131	199,640,629	11.2%
Business Real/Personal	345,994,370	348,489,076	0.7%	283,702,960	287,150,506	1.2%
Total	\$1,382,922,681	\$1,400,269,125	1.3%	\$855,034,064	\$874,016,134	2.2%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Jennings County were \$595,608, or 3.0% of the levy. This was less than the state average percentage of the levy of 9.2%, but near the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Jennings County's tax rates were lower than the state average but higher than the state median. Jennings credits as a share of levies were low because the county had no tax districts with rates above \$3 per \$100 assessed value, so no business property in the 3% category received tax cap credits.

More than three quarters of the total tax cap credits were in the 2% nonhomestead/farmland category; most of the rest were in the 1% homestead category. The largest percentage losses were in the city of North Vernon and the town of Vernon, where district tax rates were more than \$2 per \$100 assessed value. The largest dollar losses were in the Jennings County School Corporation, North Vernon, and the county unit.

Tax Cap Credits by Category

Tax cap credits decreased in Jennings County in 2012 by \$146,008, or 19.7%. The percentage of the levy lost to credits fell by 0.8%. There were no major changes in state policy to affect tax cap credits in 2012. Jennings County credits decreased mainly because district tax rates decreased.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$138,390	\$115,370	-\$23,020	-16.6%
2%	534,884	456,372	-78,512	-14.7%
3%	32,074	0	-32,074	-100.0%
Elderly	36,267	23,866	-12,401	-34.2%
Total	\$741,615	\$595,608	-\$146,008	-19.7%
% of Levy	3.9%	3.0%		-0.8%

Jennings County Levy Comparison by Taxing Unit

Taxing Unit	2008	2009	2010	2011	2012	% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
County Total	22,907,138	16,287,337	17,339,271	17,101,330	17,401,336	-28.9%	6.5%	-1.4%	1.8%
State Unit	21,519	0	0	0	0	-100.0%			
Jennings County	5,181,652	4,311,373	4,872,654	4,622,676	4,763,617	-16.8%	13.0%	-5.1%	3.0%
Bigger Township	16,089	17,155	17,133	17,084	18,433	6.6%	-0.1%	-0.3%	7.9%
Campbell Township	23,616	24,331	24,926	25,167	23,073	3.0%	2.4%	1.0%	-8.3%
Center Township	80,886	87,350	101,663	108,301	83,222	8.0%	16.4%	6.5%	-23.2%
Columbia Township	12,957	13,232	13,888	14,303	14,792	2.1%	5.0%	3.0%	3.4%
Geneva Township	79,155	77,622	77,389	76,640	77,381	-1.9%	-0.3%	-1.0%	1.0%
Lovett Township	12,841	13,509	14,011	14,269	14,757	5.2%	3.7%	1.8%	3.4%
Marion Township	16,048	16,925	17,559	17,941	14,656	5.5%	3.7%	2.2%	-18.3%
Montgomery Township	18,818	18,974	19,372	16,297	17,030	0.8%	2.1%	-15.9%	4.5%
Sand Creek Township	27,684	27,885	28,246	28,751	29,362	0.7%	1.3%	1.8%	2.1%
Spencer Township	26,870	26,074	25,791	15,896	16,979	-3.0%	-1.1%	-38.4%	6.8%
Vernon Township	36,191	49,024	48,445	49,348	49,228	35.5%	-1.2%	1.9%	-0.2%
North Vernon Civil City	2,137,030	2,341,219	2,287,071	2,316,365	2,421,929	9.6%	-2.3%	1.3%	4.6%
Vernon Civil Town	20,041	21,398	22,149	22,914	23,655	6.8%	3.5%	3.5%	3.2%
Jennings County School Corp	14,638,459	8,749,952	9,255,983	9,261,951	9,318,973	-40.2%	5.8%	0.1%	0.6%
Jennings County Public Library	365,827	378,578	397,721	407,417	421,332	3.5%	5.1%	2.4%	3.4%
Southeastern Indiana Solid Waste Mgmt	108,493	112,736	115,270	86,010	92,917	3.9%	2.2%	-25.4%	8.0%
North Vernon Redevelopment Commission	82,962	0	0	0	0	-100.0%			

Jennings County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	LOIT PTRC	Credit Rates				LOIT Homestead	LOIT Residential	Net Tax Rate, Homesteads
				COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead			
40001	Bigger Township	1.8966	--	--	--	--	--	--	--	1.8966
40002	Campbell Township	1.9004	--	--	--	--	--	--	--	1.9004
40003	Center Township	1.8815	--	--	--	--	--	--	--	1.8815
40004	North Vernon City	2.9519	--	--	--	--	--	--	--	2.9519
40005	Columbia Township	1.8601	--	--	--	--	--	--	--	1.8601
40006	Geneva Township	1.8776	--	--	--	--	--	--	--	1.8776
40007	Lovett Township	1.8610	--	--	--	--	--	--	--	1.8610
40008	Marion Township	1.8649	--	--	--	--	--	--	--	1.8649
40009	Montgomery Township	1.8846	--	--	--	--	--	--	--	1.8846
40010	Sand Creek Township	1.9071	--	--	--	--	--	--	--	1.9071
40011	Spencer Township	1.8436	--	--	--	--	--	--	--	1.8436
40012	Vernon Township	1.9039	--	--	--	--	--	--	--	1.9039
40013	Vernon Town	2.2792	--	--	--	--	--	--	--	2.2792
40014	Hidden Valley	1.8776	--	--	--	--	--	--	--	1.8776

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Jennings County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	115,370	456,101	0	23,866	595,337	17,401,336	3.4%
<i>TIF Total</i>	0	271	0	0	271	2,198,843	0.0%
<i>County Total</i>	115,370	456,372	0	23,866	595,608	19,600,179	3.0%
Jennings County	23,447	92,236	0	6,614	122,297	4,763,617	2.6%
Bigger Township	0	0	0	8	8	18,433	0.0%
Campbell Township	0	0	0	10	10	23,073	0.0%
Center Township	720	2,852	0	176	3,748	83,222	4.5%
Columbia Township	10	0	0	7	16	14,792	0.1%
Geneva Township	0	0	0	84	84	77,381	0.1%
Lovett Township	0	0	0	32	32	14,757	0.2%
Marion Township	0	0	0	5	5	14,656	0.0%
Montgomery Township	1	0	0	74	74	17,030	0.4%
Sand Creek Township	16	0	0	14	30	29,362	0.1%
Spencer Township	6	0	0	26	31	16,979	0.2%
Vernon Township	16	84	0	54	154	49,228	0.3%
North Vernon Civil City	42,753	169,439	0	2,919	215,112	2,421,929	8.9%
Vernon Civil Town	3	1,091	0	190	1,284	23,655	5.4%
Jennings County School Corp	45,868	180,440	0	12,939	239,248	9,318,973	2.6%
Jennings County Public Library	2,074	8,158	0	585	10,817	421,332	2.6%
Southeastern Indiana Solid Waste Mgmt	457	1,799	0	129	2,385	92,917	2.6%
North Vernon Redevelopment Commission	0	0	0	0	0	0	
TIF - North Vernon City	0	271	0	0	271	2,198,843	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.